

Central Intelligence Agency



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DIRECTORATE OF INTELLIGENCE

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MOSCOW'S POLICY TOWARD IRAN AND IRAQ:

SIGNS OF PROGRESS

Summary

The recent exchange of visits by Soviet and Iranian officials and the continued improvement in Soviet-Iraqi ties suggest that the USSR's reluctant decision in the spring of 1982 to tilt toward Baghdad is beginning to pay dividends. Moscow may believe its support for Iraq and tough stance toward Iran were critical in inducing the increasingly isolated Khomeini regime to resume a dialogue. The Soviets appear to be skeptical, however, that Tehran is truly interested in improving bilateral relations, and they are well aware that their influence in Baghdad rests solely on their supply of arms. The Kremlin is unlikely to alter significantly its policies toward the two countries over the next year, but its strategic interests in Iran probably will prompt it to seek to improve ties with the Iranians where possible.

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A major expansion of the war in the Persian Gulf could complicate Soviet strategy, especially if it led to an expanded US military presence in the region. These risks, and the fact that its current policy appears to be paying off, suggest that Moscow will caution Baghdad not to escalate the war. Despite the Soviets' ability to talk with both sides, they are not in a position to mediate an end to the conflict. Both Baghdad and Tehran continue to mistrust them, and the Khomeini regime appears unwilling as ever to reach a negotiated settlement.

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This memorandum was prepared by [redacted] the Third World Division, Office of Soviet Analysis. It was coordinated with the Office of Near Eastern and South Asian Analysis, the Office of Global Issues, the National Intelligence Officers for the USSR-Eastern Europe and the Near East-South Asia, and the Directorate of Operations. Comments and queries are welcome and may be addressed to the Deputy Chief, Third World Division, SOVA

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An Opening With Tehran?

The recent flurry of activity in Soviet-Iranian relations contrasts markedly with the near frozen state of bilateral ties since Tehran banned the Communist Tudeh Party in May 1983.

head of the Iranian Foreign Ministry's department responsible for relations with the USSR and Eastern Europe, went to Moscow in early May. The last substantive talks between the two sides occurred in April 1983, when Vasiliy Safronchuk, head of the Soviet Foreign Ministry's Middle Eastern Department, visited Tehran, and by most accounts those were fruitless.

Malaek's purpose was to convey Tehran's desire to improve relations, but he was treated coolly and made little headway. Malaek evidently, however, was able to convince the Soviets to receive Mohammad Sadr, the Director General of the Iranian Foreign Ministry.

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Sadr's 3-7 June visit, and the fact that both sides continue to criticize each other publicly, suggest that it achieved little.

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Nevertheless, both sides presumably saw the Sadr visit as an opportunity to resume at least a limited dialogue. Foreign Minister Gromyko's decision to meet with Sadr reflected the importance the Kremlin attached to the visit. Iranian officials publicly portrayed Sadr's visit as "beneficial," a line echoed by the Iranian media in its coverage of the late June visit to Tehran of the Soviet Deputy Minister for Power and Electrification--the first Soviet official to go there since Safronchuk in April 1983.

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Moscow, however, probably remains skeptical about the extent to which Iran is prepared to relax its anti-Soviet policies. The Soviets may calculate that Iran's primary reasons for approaching them were its increasing isolation and a fear that the US might become involved in an expanded Gulf conflict. Pravda's senior Third World commentator told a US Embassy official after Sadr's visit that the USSR would "wait and see" whether Iran's overture represented a genuine change in policy.

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Soviet leaders, moreover, remember the abrupt end to an apparent thaw in bilateral relations in April 1983. Tehran then hosted Safronchuk, filled its ambassadorial post in Moscow that had been vacant for a year, allowed Aeroflot to resume flights to Iran and publicly thanked the USSR for earthquake relief

supplies. Within a month, however, Iran televised "confessions" of Tudeh Party leaders, banned the party and expelled 18 Soviet Embassy officials for espionage.

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The Soviets might also suspect that Iran's recent overture does not necessarily bear Khomeini's imprimatur. Their experience in dealing with the Ayatollah probably would lead them to believe he is unlikely to support such an approach.

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Background: The Kremlin's Basic Aims

The Iranian overture confronts Moscow with a familiar dilemma. The Soviets have attempted since the early 1960s to increase their influence in both Iran and Iraq. They have not hesitated to exploit antagonisms between the two countries to achieve that goal. They have had more success in Iraq, which is ruled by a nominally socialist regime that has pursued anti-Israeli and, until recently, anti-US policies that have dovetailed with Soviet interests. Moscow, however, has devoted considerable effort to Iran because of its greater geopolitical significance--most importantly, its contiguity with the Soviet Union--and because of the US presence before 1979. Despite the fact that in trying to cultivate each country, the Soviets instead have often ended up alienating both, they have exerted considerable influence on Iraqi and Iranian policies.

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The USSR's primary aim since the Iranian revolution in 1979 has been to capitalize on the elimination of US influence in Iran without jeopardizing its often shaky relations with Iraq. The outbreak of the war between Iran and Iraq in September 1980 greatly complicated Soviet policy. Moscow's opposition to the Iraqi invasion and its apparent belief that it could make inroads in Tehran prompted it to embargo arms deliveries to both countries. This tended to benefit Iran because Iraq was more dependent on Soviet arms. When this policy failed to elicit a positive response from Tehran, the Soviets lifted the embargo in the spring of 1981 and adopted a more even-handed approach.

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The Soviets shifted to all but full support for Iraq in the spring of 1982 after Iran began to reverse the tide of the war. Moscow apparently feared the consequences of an Iranian victory over Iraq, especially the spread of Khomeini's Islamic fundamentalism near its southern border. Authoritative Soviet media commentary, [] indicate the USSR had concluded that, with Khomeini's crackdown on domestic opponents--including initial moves against the Communist Tudeh Party--prospects for increasing Soviet influence in Iran would remain slim for as long as the Ayatollah stayed in power. The Soviets presumably also calculated that if they did not meet Iraq's

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military needs it would accelerate its turn toward Western Europe, China and even the United States. Finally, increased aid for Iraq was in keeping with Moscow's overall goal of ensuring that neither Iran nor Iraq emerged as the clear victor in the war and dominant power in the Gulf. [redacted]

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Since the tilt toward Baghdad in early 1982, Moscow has shipped over \$3 billion worth of arms to Iraq and improved political realtions with Saddam Husayn's regime. Despite increasing contacts between Iraq and the US, Iraqi leaders continue to criticize Washington while speaking publicly in glowing terms about Soviet support for Baghdad in the war. The Soviets and Iraqis apparently also are negotiating another major arms deal. [redacted]

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At the same time, relations between the USSR and Iran have plummeted to their lowest level since the early 1960s. The two sides daily disparage each other in their respective media. The Iranians focus on Moscow's military aid to Iraq, presence in Afghanistan and backing for the Tudeh Party, while the Soviets particularly criticize Tehran for its unwillingness to end the war. [redacted]

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Reaction to Recent Escalation

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Moscow has kept a low profile during the attacks on shipping in the Persian Gulf since mid-May. Soviet media have focused on alleged US attempts to exploit the situation but have carried no authoritative statements. Soviet military activity in the Indian Ocean/Persian Gulf region has remained normal, with Soviet ships and naval reconnaissance aircraft concentrating on monitoring the US carrier groups in the area. [redacted]

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The Soviets have also been relatively quiet on the diplomatic front. They did not play a prominent role in the UN manuvering on the Security Council resolution calling for an end to attacks on neutral shipping in the Gulf. They voted, however, in favor of the resolution, which was implicitly more critical of Iran. [redacted]

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Despite its low-key response, the USSR apparently remains concerned that escalation of the war will lead to an increased US presence. [redacted]

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Outlook

The Soviets' skepticism about Iran's intentions and satisfaction with their improved relationship with Iraq suggest they are unlikely any time soon to alter dramatically the policy they have maintained--with apparent success--toward Baghdad and Tehran over the last two years. Moscow will need more concrete signs of a genuine change of heart in the Iranian leadership before it takes significant steps to improve relations, particularly since such moves would be certain to rile Saddam Husayn. Nonetheless, the Soviets, because of their strategic interest in Iran, are likely to probe Tehran's sincerity and improve ties where possible, while at the same time maintaining their military support for Iraq. If the Soviets detect a genuine interest on Tehran's part to normalize relations, they might:

- Moderate their media criticism of Iranian policies.
- Return their advisers to the Ahvaz thermal power plant in Iran.
- Exert greater effort to resolve the problem of major backups in the transit of Iranian trade on Soviet railroads.
- Offer to sell Iran more arms, both directly and through third parties, such as Libya, Syria and some East European countries.

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An escalation of the Gulf war would severely complicate Moscow's position. The main danger of an escalation from the Soviet viewpoint would be the threat of US involvement. Moscow would be constrained in its response to US military involvement by its limited capabilities to deploy naval and air power to the Gulf.

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The Soviets probably would attempt to use the opportunity of US intervention in the Gulf against Iran to improve relations with Tehran. They would pose as Iran's protectors and try to convince the Iranians of their need for a closer military relationship with the USSR, especially in the air defense field. Moscow would try to minimize the adverse effect this would have on its relations with Baghdad by emphasizing that its aid to Iran was in response to a US threat and was minuscule when compared to Soviet aid to Badhdad. Such overtures to Tehran, however, probably would not overcome the basic Soviet-Iranian differences, and Soviet leaders are likely to worry that the US could somehow use its military intervention to reestablish itself in Iran. At the very least, the Soviets probably are concerned that the Arab Gulf states are moving closer to the US and might allow an American military presence if the situation worsens.

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The Soviets, moreover, do not see any urgent need for Iraq to widen the war. High-level Soviet officials have stated

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[redacted] that Iraq has sufficient military power to maintain the stand-off with Iran indefinitely. Thus, although the Soviets probably will continue to provide more and better weapons to Iraq out of concern that otherwise Baghdad will turn toward the West, they are likely to advise the Iraqis to use these arms only to repel Iranian advances and not in order to expand the war in the Gulf. [redacted]

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One of the greatest potential threats to US interests would be Soviet success in mediating the war. A role for the USSR in mediation--akin to that which it played between India and Pakistan at Tashkent in 1965--would add impetus to its efforts to become a major player in the Middle East, as well as to improve its standing with both Iran and Iraq. The prospects of the Soviets gaining such a mediatory role, however, are slim. Neither the Iranians nor the Iraqis trust Moscow to play the part of honest broker. More importantly, Iran still seems no closer to dropping its maximum demands for a negotiated settlement. When and if Tehran is ready to negotiate seriously, it can turn to a host of other potential mediators--such as Algeria, the Gulf Cooperation Council, the Islamic Committee Organization or even the UN--who have more credibility with Iran and Iraq than does the USSR. [redacted]

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